



A new wave of business confidence quietly taking shape across Africa

Key Findings

- CEOs identify generative AI, talent, ESG, and cybersecurity as the top four forces shaping their strategic priorities.
- 71% of African CEOs are investing in AI and talent to drive growth and resilience.
- 86% of African CEOs plan acquisitions in the next three years, signaling a strong appetite for expansion.
- 88% expect to increase headcount, with AI seen as a complement to human capability.
- ESG remains a priority, with 79% confidence in navigating regulatory differences across markets.
- Regional integration and cross-border collaboration are emerging as growth accelerators, with African CEOs increasingly prioritising intra-African trade and market expansion aligned to AfCFTA opportunities.

KPMG 2025 CEO Outlook Survey – Africa Edition

Wednesday, 5 November 2025 - Despite global economic uncertainty and geopolitical tensions, African CEOs are optimistic about their own organisations' growth prospects. This is according to the KPMG 2025 Africa CEO Outlook Survey, which captures the perspectives of 130 CEOs across Southern, East, and West Africa. The survey forms part of KPMG's global CEO Outlook, now in its 11th year, which includes insights from 1,350 CEOs across 11 markets.

"This year's results reflect a confident and pragmatic leadership mindset across the continent. African CEOs are not only adapting to global challenges but are actively investing in the future through AI, talent, and sustainable growth strategies. The outlook is clear: resilience and innovation will define Africa's growth story." – **Ignatius Sehoole, CEO of KPMG South Africa and CEO KPMG One Africa.**

Economic Outlook

This year's results paint an optimistic picture underpinned by growth and investment – despite economic challenges – with 78% expressing strong business confidence, up by more than 12% year on year and 98% expecting business expansion over the short term (3 years). Similarly, M&A appetite is surging, with 86% of African CEOs likely to pursue acquisitions in the next three years, up from 77% last year.

Confidence in domestic economies is also rising, with 63% of African CEOs expressing optimism about their country's growth prospects up from 61% in 2024.

Africa CEOs are facing the same global forces, technological disruption, inflationary pressure, and geopolitical tension where locally they have identified three pressing challenges to doing business in Africa including: integrating AI into core operations (32%), managing regulatory pressures (25%), and strengthening cybersecurity (24%). However, they are turning these headwinds into catalysts for transformation where 72% have adjusted their growth strategies to deal with market challenges, resulting in a continent where optimism is returning, strategy is converging, and leadership is being redefined.

Technology and Generative AI

AI has emerged as the top strategic priority for African CEOs heading into 2026. 71% are investing in AI to drive operational efficiency and long-term resilience, where 26% plan to allocate more than 20% of their annual budget to AI, nearly double the global average of 14%. This high level of investment by Africa CEOs, despite declining economic optimism, reflects a shift in mindset where Africa CEOs in West Africa (65%), East Africa (40%) and Southern Africa (38%) all view AI not only as a tool for future growth, but as an immediate lever for operational efficiency, better decision-making, and long-term resilience.

Infrastructure gaps complicate progress of technology and AI adoption in Africa as many African organisations continue to face unreliable power supply, limited broadband connectivity, and outdated computing systems that restrict the use of data-intensive AI solutions. In the same way, 96% cite data readiness as a challenge, highlighting the need for local data curation and infrastructure investment. However, instead of slowing innovation, African leaders are taking a pragmatic step forward, with cybersecurity and digital resilience investment topping the list (45%), followed by AI integration across workflows (40%) and with 34% investing in immediate, scalable technology and solution innovation,

"To deploy and scale AI, African organisations are faced with three options: build, buy or partner. Each organisation must weigh the pros and cons of building, buying, or partnering for AI solutions. There is no one-size-fits-all-approach. The right strategy depends on the organisations existing capabilities, risk appetite and strategic objectives. A sustainable approach should be shaped by the business context, the desired outcomes, and the ability to scale and govern AI effectively"—
Joelene Pierce, CEO Designate of KPMG South Africa.

As organisations accelerate digital transformation by adopting AI and other advanced technologies, a critical cybersecurity risk is emerging from the threat posed by quantum computing to traditional encryption and data protection frameworks. Yet, across the three regions few CEOs show concern about the risks from quantum computing on encryption, with concern about risk ranging from 14% in West Africa, 22% in Southern Africa, and 35% in East Africa. These low numbers signal a critical vulnerability at a time when African economies are deepening their reliance on digital systems and cross-border data exchange.

Talent in the age of AI

Talent remains central to AI adoption and organisational transformation with 81% of African CEOs believing that upskilling in AI will directly impact their success. 67% are redeploying staff into AI-enabled roles and 88% expect to increase headcount.

This action reinforces that AI complements rather than replaces human capability and in fact broader digital and technological literacy is viewed as the top leadership capability that is becoming essential, with AI understanding and digital literacy ranking as one of the top 3 of 17 leadership capabilities in today's fast changing environment.

"Reflecting on insights from our Africa CEO survey, it is clear that the qualities required for effective leadership are rapidly evolving. Today's CEO is expected to be more than just a strategic thinker - they must also embrace digital and AI literacy, lead cultural transformation, and demonstrate agility in decision-making under pressure. The demands extend far beyond the boardroom; modern leadership requires CEOs to be communicators, innovators, and champions of change. These are the capabilities shaping the future of the profession." **Tola Adeyemi, CEO KPMG West Africa.**

As Africa has a relatively younger workforce, it provides a buffer, giving more time to plan and build future-ready talent pipelines, where only 15% of Africa CEOs report generational gaps in critical future skills such as AI adoption (30% globally). In terms of workforce strategy, regionally, we are seeing very similar strategies to long-term workforce changes in response to AI with West Africa leading the way across 2 key areas: redesigning roles and career paths to reflect AI collaboration (65%) and deploying staff from traditional roles to AI enabled roles (70%). East Africa CEOs are leading the way when it comes to hiring new talent with AI and tech capabilities (62%), whereas Southern Africa is placing a similar focus across these three areas.

ESG and Sustainability

African CEOs remain committed to ESG goals, despite regulatory complexity with 79% showing confidence in their ability to navigate ESG regulations across markets.

Even though 51% prioritise compliance and reporting standards to meet investor and regulatory demands, with only 55% demonstrating confidence in their capability and capacity required to meet new reporting standards, they're significantly behind global CEOs (77%).

Africa faces higher regulatory challenges with 21% of CEOs citing complexity of decarbonising supply chains as their top barrier in achieving net zero and climate ambitions and a lack of skills and expertise to successfully implement solutions, contributing to this lack of confidence.

However, Africa CEOs remain resilient with 74% using AI to reduce emissions and improve energy efficiency to meet these demands and 46% driving sustainability withing core strategy.

West Africa leads the way in prioritising compliance and reporting standards to meet investor and regulatory demands at 60%, followed by East Africa (48%) and Southern Africa (35%).

"CEOs worldwide, including those in Africa continue to recognize the importance of ESG within their organizations and are implementing diverse strategies for sustainability in response to evolving market demands"— **Benson Ndung'u, CEO KPMG East Africa.**

As Africa's business landscape continues to evolve, the 2025 KPMG CEO Outlook reveals a continent brimming with optimism. CEOs are not only responding to global headwinds, but are reimagining growth through innovation, resilience, and purpose-driven leadership. With strategic investments in AI, talent, and ESG, African leaders are laying the foundation for sustainable transformation and a continent that is set for continued growth.

ENDS.

About the KPMG CEO Outlook

The 11th edition of the KPMG CEO Outlook, conducted with 1350 CEOs between 5 August 2025 and 10 September 2025, provides unique insight into the mindset, strategies and planning tactics of CEOs.

All respondents oversee companies with annual revenues over US\$500M and a third of the companies surveyed have more than US\$10B in annual revenue. The survey included CEOs from 11 key markets (Australia, Canada, China, France, Germany, India, Italy, Japan, Spain, UK and US) and 12 key industry sectors (asset management, automotive, banking, consumer and retail, energy, healthcare, infrastructure, insurance, life sciences, manufacturing, technology, and telecommunications).

NOTE: some figures may not add up to 100 percent due to rounding.

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